Sri H. SIDDAVEERAPPA (Minister for Home Affairs and Agriculture).—Sir, I introduce.

(i) The Mysore Places of Public Resort Bill, 1952.

(ii) The Mysore Agricultural Produce Markets (Amendment) Bill, 1952.

(iii) The Mysore Prohibition of Smoking in Show Houses and Public Halls Bill, 1952.

(iv) The Mysore Drugs Control (Amendment) Bill, 1952.

(v) The Mysore Restriction of Habitual Offenders Bill, 1952.

(vi) The Mysore Silkworm Seed (Control of Distribution) Bill, 1952.

which were published in the *Mysore Gazette* under Rule 48 of the Rules of Procedure and Conduct of Business in the Mysore Legislative Assembly.

Message by His Highness the Maharaja for laying the annual Financial Statement before the Assembly.

Mr. SPEAKER.—I have received a communication from His Highness the Rajpramukh of Mysore, regarding the laying of the annual financial statement before the Assembly. It is as follows:

"ORDER"

"I, Jaya Chamaraja Wadiyar, *Rajpramukh* of Mysore, do hereby direct that the annual financial statement* appended hereto shall be laid before the Mysore Legislative Assembly as required by Article 202 of the Constitution read with Article 238.

JAYA CHAMARAJA WADIYAR,
Maharaja of Mysore."

FINANCIAL BUSINESS.

Presentation of the Budget for 1952-53.

Mr. SPEAKER.—The Hon'ble Chief Minister will now introduce the Budget for 1952-53.

Sri K. HANUMANTHAIYA (Chief Minister).—Sir, I have great pleasure in presenting to the House the Budget estimates for 1952-53.

India has entered upon a new era of freedom and self-government. Centuries of slavery, autocracy and exploitation sapped the energy and strength, and stunted the growth of our country. Poverty and its miseries took hold of the masses. Until domination and exploitation ended, there was no hope for the country. The struggle for freedom which took root a few decades back grew to such proportions that it ultimately succeeded in not only ending domination but also in liquidating autocracy. The people of India framed a Constitution which guarantees liberty, equality and democratic institutions. We have entered upon a new era of self-rule, self-respect and self-effort. This House is the very first House in the State to come into existence under the Constitution. This is the first Budget that is being presented to the House. Might I say that it is my good fortune that I am presenting this Budget to this august House for the first time in my life? I feel that this duty has been cast on me by Providence, and I have undertaken to do it with humility, sincerity and in a spirit of service. I need your sympathy, co-operation and counsel and I beseech you to give them to me in a generous measure.

The previous Finance Minister presented what is called the Interim Budget for 1952-53 on 21st March 1952, nearly three months back. He showed a revenue deficit of Rs. 83·95 lakhs, besides the prospect of a huge deficit of over three crores of rupees by reason of the Central Government stopping payment of food subsidy. The present Ministry took office in the face

*Copy distributed to members.

of these deficits unknown in the history of the State. We made all efforts to pursuade the Central Government to restore food subsidies. When it was made clear to us that food subsidies would not be restored, we were put to the necessity of increasing food prices much as we did not like it. Now, there is no fear of the budgetary balance being upset on this account. But the revenue deficit remains, causing us a good deal of anxiety. The distress conditions in parts of Kolar, Bangalore, Tumkur and Chitaldrug districts have adversely affected our budgetary position. Want of timely rains have brought the water in Krishnarajasagara to a dangerously low level. We have been put to the necessity of effecting cuts in the supply of electricity which again threatens to reduce our income. The excise sales have shown a reduction in income of over a quarter of a crore of rupees. These are the unfortunate set of circumstances that are hampering me in balancing the budget.

The following is the main summary of the changes effected in the Interim Budget :—

	(In lakhs of Rs.)
A. Deficit as anticipated.	83·95
Add :—	
B. Reductions under Revenue.	45·16
C. Increased Provisions for expenditure.	66·11
Deduct :—	
D. Reductions in expenditure.	29·57
E. Increases under Revenue and grants.	63·93
Net deficit ...	101·72

The net deficit is made up of :—

	(In lakhs of Rs.)
Revenue including Revenue Gap from the Centre and grant-in-aid from Soldiers' Board, etc. ...	1,918·34
Grants (from the Government of India for Grow More Food Schemes)	34·24
Transfers (from funds)	49·04*
Total ...	2,001·62
Expenditure ...	2,103·34
Deficit ...	101·72

We propose to tackle the problem first by securing further economies to the extent practicable and by tapping additional sources of revenue wherever feasible. Efforts will also be made to obtain aid from the Central Government. I shall now briefly refer to some of the important aspects connected with the Budget.

Finance Commission.

The Government have presented a Memorandum to the Commission explaining the financial position. We have urged for proper financial assistance to keep pace with the necessary progressive expansion. The Commission are now in Bangalore and will have discussions with us in the first week of July 1952. Let us hope that the recommendations of the Commission will do justice to Mysore State.

Agreement with the Reserve Bank.

As already referred to in the speech of His Highness the Rajpramukh to the Legislature in March 1952 the resource operations and management of Public Debt are to be transferred to the

	(In lakhs of Rs.)
*Industrial Development Fund ...	10·50
Silk Industry Fund ...	2·81
Sugarcane Cess Fund ...	15·73
Famine Relief Fund ...	20·00
Total ...	49·04

(SRI K. HANUMANTHAIYA.)

Reserve Bank as in the other States. The agreement is proposed to be finalised next month after further discussions.

INVESTMENTS.

Our investments in Government Securities and Shares in Joint-Stock Companies stand as under:

	Rs. in Lakhs.
Securities (Face value including securities to be transferred).	1,569·83
Shares	142·02

The liquid securities cover the prescribed percentages of investments of certain liabilities like Sinking Fund and Savings Bank. As these resources had to be utilised in the absence of borrowings on capital works and other items of expenditure in previous years, certain reserves like the Special Reserve and Rural Development Fund have no cover in the form of cash or liquid securities. These book balances have therefore to be treated as extinguished.

CENTRAL ASSISTANCE.

The following grants and loans have been received so far from the Centre since the financial integration: —

	Rs. in Lakhs. Grants·	Loans.
Grow More Food ...	*146·98	95·00
Labour Housing ...	...	20·00†
Capital Works ...	...	350·00
Iron Works ...	...	40·00

For 1952-53, the budget has taken into account Central Assistance as under:—

	Rs. in Lakhs. Grants.	Loans
Grow More Food ...	34·24	38·21
Capital Works ...	...	150·00
Iron Works ...	...	125·00

FIVE-YEAR PLAN.

Members of the House are aware that as far back as July 1951, the Five-year Plan for Mysore was drawn up as an integral part of the All-India plan prepared by the Planning Commission. That Plan provided for an expenditure of Rs. 3,660 lakhs for the five-year period. Out of that amount, Rs. 442·98 lakhs had to be spent on agriculture; 716 lakhs under major irrigation works; 1,268 lakhs under power projects and 590·35 lakhs under social services. The Mysore Plan closely followed the pattern of the All-India Plan. During the year 1951-52, an expenditure of Rs. 719·32 lakhs had to be incurred for various items. Against this, an expenditure of only about Rs. 560 lakhs is anticipated. The main difficulty in implementing the Plan in the very first year was lack of finance.

The Plan envisaged that the expenditure could be met partly by revenue resources and partly by other sources such as loans in the open market, economies in Government expenditure, additional taxation and assistance from Central Government. In spite of our best efforts, it has not been possible to realise sufficient money from all these sources. Every endeavour has been made to economise Government expenditure. But that in itself does not take us far. It has been found difficult to float a loan. The people are averse to fresh taxation. The assistance given so far by the Centre has been mentioned already and that assistance is not sufficient to implement the Plan in full. The Central Government is being continuously asked to give assistance for the completion of major schemes. Some of the sources indicated in the regional plan from which a large sum of money was expected to be realised are not likely to yield full results. We have to depend in a substantial measure for assistance from external sources. The Five-year

*The above grants are subject to adjustment with reference to actual expenditure incurred.

†Interest free.

Plan for Mysore can be implemented only to the extent to which the Government of India will render financial assistance. But we are anxious to take all steps to implement the Five-year Plan.

Community Projects.

Orders of Government have been issued for starting a Rural Community Project in Sorab—Shikaripur area on the lines indicated by the Planning Commission. The total expenditure on the project is estimated at Rs. 65 lakhs of which the Central Government meet Rs. 23·02 lakhs as their share as grant-in-aid and the State Government will have to meet an expenditure of Rs. 41·98 lakhs. Out of the State's share of Rs. 41·98 lakhs, a sum of Rs. 29·91 lakhs will be advanced as a long-term loan by the Centre in respect of loanable or self-financing schemes under the programme. The balance of Rs. 12·07 lakhs will have to be met by the State Government for three years commencing from the year 1952-53.

Food Policy.

Immediately after the assumption of office by the Ministry, we applied our minds to the re-orientation of our food policy. As all of you are aware, we announced relaxation of controls except in statutorily rationed areas. The free movement of foodgrains allowed in non-statutory area has brought relief and satisfaction to the people. There are signs of downward tendency in foodgrain prices. We were also considering relaxation of controls in the statutorily rationed areas. In the meanwhile, Madras Government has announced its new food policy of almost full decontrol. In one respect our food policy is a step in advance of the Madras food policy. We have no zonal system in the State as in Madras. We are one step behind in retaining statutory rationing in the four cities of Bangalore, Mysore, K.G.F. and Davangere. It is now time for us carefully to consider and take decisions in regard to the extent of decontrol in these statutorily rationed areas. We are not yet satisfied that there is that amount of foodgrains in the State which warrants the operation of free marketing conditions. The grain that is coming as the result of free movement into non-statutory areas may not be sufficient to meet the demands of free movement in statutorily rationed areas. Usually the next three or four months are the lean months of the year. We can speak with certainty after tiding over this period, whether it would be wise to take a final decision in regard to decontrol. The Corporation of Bangalore and the Municipal Council, Mysore, are of the view that Statutory Rationing may be abolished keeping fair price depots in existence. On the invitation of the Central Food Minister, our Food Minister went to Delhi. We now know the views of the Government of India. Your opinion and proposals will greatly enable the Government to finally formulate their policy.

Retrenchment.

As you are aware, we are faced with a big budget deficit. One of the methods to be adopted for covering the deficit is to economise in Government expenditure. We have examined the needs of each department and taken steps to retrench all surplus and avoidable staff consistent with the maintenance of efficiency.

Among the higher gazetted appointments, the posts of (1) Commissioner of Economic Development and Planning and (2) the Secretary to Government, Food and Agriculture have been retrenched. The post of the Additional Director of Industries and Commerce is being kept vacant and the duties have been added on to the Commissioner, Local Self-Government. The Trade Agent at London is being recalled. The post of a Superintending Engineer working in the Electrical Department is being abolished with effect from 1st August 1952. It is not proposed to fill up the post of the sixth Judge in the High Court.

(SRI K. HANUMANTHAIYA).

Other gazetted and non-gazetted posts :—

	Savings per annum approximate) Rs. in lakhs.
(1) State Excise.— Post of Second Assistant to the Excise Commissioner, 5 Second Division Clerks and 24 peons	0·19
(2) Forest.— Provisional Retrenchment (The Department has been asked to effect at least 5 per cent cut under Establishment. ..	0·12
(3) General Administration.— Secretariat.— One post of Assistant Secretary	0·04
Department of Information.— One post of Assistant Information Officer, 11 ministerial and 5 inferior posts ...	0·26
Economic Development and Planning.— Allowances to 5 Assistant Secretaries and staff attached to Committees ...	0·14
District Administration— 3 Surveyors, 84 clerical posts and 9 peons ...	0·60
(4) Administration of Justice.— One post of District Judge and one Munsiff for H.R.C. cases. The High Court has been requested to consider the abolition of Additional I Class Magistrate, Bangalore ...	0·64
(5) Agriculture.— Post of Additional Deputy Director and keeping the post of Deputy Director vacant. Sugarcane Borer Control Officer, 7 Junior Engineers, 84 Clerks, 14 minor supervisory posts, one Entomologist, one Head Master, 85 Fieldmen, 100 Drivers, 3 Artisans and 245 Inferior servants. Closing of 9 basic farms and other savings	5·29
(6) Rural Development.— Abolition of Welfare Centres and Development Committees; 367 posts of Revenue Inspectors by reverting to the old system of hoblies, staff attached to propaganda van and other savings	4·00
(7) (a) Industries.— Keeping vacant posts of Textile Expert and one Assistant Superintendent and retrenching 21 Weaving Demonstrators, 5 Clerks and 13 inferior posts	0·30
Closing 25 Cottage Industry Centres and reducing provision for cottage industries ...	2·00
(b) Sericulture.— Five Inspectors, 6 Demonstrators and 3 Operatives ..	0·50
Sericultural Research and Training Institute (50 per cent of grant ordered to be reduced)	0·20
(8) Civil Works.— Under consideration ...	1·42
(9) (a) Civil Supplies.— One Assistant Controller, Two Enforcement Officers, one Manager, 27 Clerks, Inspectorate 29 posts and 22 peons and other savings	1·00
(b) Food Supplies.— Thirteen Assistant Rationing Officers, 6 Inspectors, 962 Clerks and 1,963 peons and measurers, Police Raid Party at Bangalore and Mysore ...	13·50
(10) Road Transport.— A number of posts are vacant according to sanctioned scale. The question of abolishing about 450 posts is under consideration	3·20

The retrenchments effected above will result in a savings of over Rs. 30 lakhs. The full effect of this will be reflected only in the Estimates of 1953-54 as in many cases the retrenchment is effective during the year and in a few cases alterations relating to individual posts could not be made in the present Budget. We are continuing to examine further possibilities of cutting down staff. This policy of retrenchment no doubt results in the loss of appointments to some persons. With a view to seeing that hardships caused by such loss of appointments are minimised, Government have requested the Public Service Commission to give preference to the retrenched personnel in available vacancies, consistent with the prescribed standards.

LEGISLATURE.

The Constitution has provided Mysore State with a bicameral Legislature. We had therefore to provide accommodation for both the Houses. The hall in the second floor of this building has been given to the Legislative Council. It is appropriate and convenient that the Legislative Assembly should be in the same

building. The most suitable place in this building is the hall in which we are sitting to-day. I hope that the arrangements and furnishing that have been made are in keeping with the dignity and responsibility of this House. Now literally, the Upper House is upstairs, and the Lower House has taken its abode in this imposing hall —with the pillars that add dignity and beauty to the Chamber. All the furniture that you see in the Chamber today is so made that it can be transferred to the new building when it is ready.

Though Mysore State was the earliest in India to establish a Legislature, it so happened that it had no building of its own. Now that the Legislature has grown to its full powers and responsibilities, it is but appropriate that it should be provided with a building suited to its role. Buildings represent the beauty, culture and the taste of the people. The Legislature meets in Bangalore. The building that is to house the Legislature of the State has therefore to be built in Bangalore representing not only the power and responsibility of the Legislature, but all the beauty, culture and taste of the people of Mysore. We have provided Rs. 4 lakhs during the current year to start the building.

Famine relief.

The deterioration in seasonal conditions due to the failure of rains in the months of June and July last is known to all of you. The distress conditions continued in certain parts of the State particularly in Kolar, Tumkur and Chitaldrug Districts. Government have been watching the situation and prompt steps are being taken to afford relief to the people in affected areas. A special grant of Rs. 10 lakhs was sanctioned for the purpose. A major portion of the grant could not be spent in 1951-52. The relief measures have been continued with an enhanced grant of Rs. 20 lakhs during 1952-53. Several relief works have been undertaken in the above districts to provide employment to agricultural classes. Employment has been provided to 31,500 persons in Kolar District, 2,288 persons in Chitaldrug District and 5,443 persons in Tumkur District. To relieve the fodder scarcity experienced in the distress areas, arrangements have been made to purchase and supply fodder at a subsidised rate of Rs. 46-10-8 per ton or four pies per pound against the cost of Rs. 125 per ton. Stocks of fodder are being provided at all convenient places within the easy reach of the affected places. The rate of wages fixed for those employed on relief works has also been enhanced. I would like to mention here with appreciation the generous gesture of the people of Mandya District in coming to the rescue of their brethren in the affected districts by gifts of fodder, paddy and money.

As a measure of further relief to the rural population of affected areas, orders have been issued to sanction seasonal remissions on a liberal scale. Even the collection of the non-remittable portion of the land revenue assessment, both dry and wet, has been postponed. Similarly the recovery of Takavi and Land Improvement Loans due to Government has been put off.

Land Revenue.

As a result of seasonal conditions, the Budget anticipates a heavy fall in collections. The question of re-organising the Department by re-adjustment of districts is not an easy problem and a decision has to be taken only after studying the implications and eliciting public opinion. Our land revenue rates have remained steady for decades and in what manner they could be rationalised is engaging the attention of Government. As an immediate measure it is proposed to take up survey and resettlement of taluks which are overdue. When compared to neighbouring States our wet rates of assessment are low and these require revision in the light of the considerable amount spent on irrigation works and the benefits accruing to land-holders with an assured water supply.

Prohibition and Excise.

We do not propose to reverse the policy of Prohibition.

(SRI K. HANUMANTHAIYA).

This year, Excise sales have shown a fall in revenue of about Rs. 26 lakhs as compared to 1951-52. The license fees on foreign liquor and denatured spirit and the duty on beer have been enhanced. This is expected to yield an additional revenue of Rs. 1·80 lakhs per annum.

FORESTS.

To improve the revenue position of the Department and to remove the disparity in rates to a certain extent, a surcharge of Rs. 3-5-0 per ton will be levied on the existing seigniorage rate for supply of bamboos to the Mysore Paper Mills. The increase in revenue on this account would be Rs. 33,000. Similarly, the rates for supply of fuel to the Mysore Iron and Steel Works, Bhadravati, has been raised from annas four to annas eight per ton and the increase on this account would be Rs. 11,000.

EDUCATION.

The Interim Budget provided for a grant of Rs. 363·17 lakhs for Education as under :—

	Rs.
37 Education ...	330·26 lakhs
43 Industries and Supplies: Industrial Education	17·94 ,,
50 Civil Works: Education-Buildings...	14·97 ,,
Total ...	363·17 lakhs

The grant has been enhanced by providing for the following :—

	Rs.
A. University . .	2·50 lakhs
B. Secondary (opening of new schools).	0·50 ,,
C. Primary (opening of new schools)	1·50 ,,
Primary School Buildings	3·00 ,,
D. S. K. S. J. T. Institute (for equipment).	1·19 ,,
E. General: Bharat Seva Dal	1·00 ,,
For items sanctioned but not included in the Budget —Lumpsum.	1·00 ,,
For payment of arrears to the staff of Engineering School.	0 08 ,,
Total ...	10·77 lakhs

The allotment for Boy Scouts has been reduced by Rs. ·25 lakh.

Excluding gross receipts from Industrial concerns which are expected to cover their working expenses and excluding the grants from the Government of India for specific schemes, the expenditure on Education works out to well over 25 per cent of the State Revenues. While there is a need for further expenditure, it should be a matter of common knowledge that unless there are revenue surpluses or grants from Government of India, no further expansion is practicable. Commitments have been made and it is doubtful if it will be possible to meet even the normal increases on account of annual increments and additional staff, within the existing resources. Fresh taxation is not palatable to the people. A democratic government naturally hesitates to do what is not palatable to the people. May I therefore make an earnest appeal to philanthropists and educationists to take up the resposibility of further expanding the field of education in the State. The expansion necessarily is limited by our financial resources. The existing resources have been strained to the maximum to spread education among the people. We have come to a point when we have either to take recourse to fresh taxation or private efforts and munificence have to finance further expansion.

TECHNICAL EDUCATION.

The syllabi of the various courses offered in the several Institutes have been revised by a Special Board constituted for the purpose. A Council of Technical Education has been constituted for laying down policies with regard to development of Technical Education and also for co-ordinating the work of the several technical institutions in the State including the Engineering School and the Sri Krishnarajendra Silver Jubilee Technological Institute, Bangalore.

AGRICULTURE.

Government have recently sanctioned the establishment of a Pilot Training *cum* Development Project at the Visvesvaraya Canal Farm at Mandya

at a total cost of Rs. 8·52 lakhs. The training centre has been sanctioned for a period of three years at a cost of Rs. 4.57 lakhs and the Extension Project for a period of five years at a total cost of Rs. 3·95 lakhs, the entire expenditure in respect of the Training Scheme being borne by the Ford Foundation. In regard to the Extension Project, the Government of Mysore and the Government of India will finance to the extent of only Rs. 1·88 lakhs while the balance of Rs. 2·07 lakhs is borne by the Ford Foundation. The Government of India have offered the assistance of two American Experts. The Central Minister for Food and Agriculture inaugurated the Training Centre on the 28th April 1952.

The question of placing the Central Tractor Organisation of the State on a more efficient working basis was considered by Government with a view to securing the maximum benefit from the existing tractors in the State. With the assistance of Messrs. Harry Ferguson of India, Limited, a scheme has been drawn up and it is proposed to fully utilize all the tractors owned by Government. The Company have agreed to put the sick vehicles into working condition and spare the services of one of their technical experts. We are thankful to the firm for the generous and timely assistance they have offered.

Loans and Advances.

The Budget provides for the following important items. In view of the financial position it was not practicable to provide more assistance by way of loans and advances :—

	Rs.
Land Improvement Loans ...	3·00 lakhs
Takavi loans ...	5·00 ,,
Purchase of electric pumps ...	5·00 ,,
Manure loans ...	10·00 ,,
Advances for purchase of seeds and manure ...	20·00 ,,
Advances for sprayers and chemicals ...	2·00 ,,
Loans to Co-operative Societies and Land Mortgage Bank	15·00 ,,
State Aid to Industries ...	2·00 ,,
Labour Housing ...	10·00 ,,

Animal Husbandry.

The Key-Farm Scheme was inaugurated recently by the Central Minister for Food and Agriculture. Under this scheme costing Rs. 5·80 lakhs for five years financed by both the Government of Mysore and the Central Government in equal proportions, about 24 to 28 villages have been selected round about each of the farms for intensive development. Besides supplying adequate number of stud bulls in some of these selected villages, the scheme provides for the introduction of artificial insemination, compulsory castration of all scrub bulls, inoculation against all contagious diseases, adequate veterinary aid and organisation of Milk Unions on co-operative basis. We are expecting that these centres will greatly benefit the villages and ideal farms will be developed at their instance in a short time.

Industries and Supplies.

The future policy of Government in regard to industries with a view to securing efficient and economic working is under consideration. The Budget provides grants for normal working and for essential development schemes. Proposals for the setting up of an Industrial Directorate in the State are being finalised by the Standing Committee for Industries and Commerce and Government hope to take a decision in the matter early.

Mysore Iron and Steel Works.

The Mysore Iron and Steel Works have completed a successful year and there has been a record turnover of more than Rs. 2·5 crores. The production of cement has increased more than four times, from about 60 tons to 260 tons per day. It is expected that the annual production would soon reach a lakh of tons per annum.

The Electric Pig Iron Furnaces are nearing completion. The first furnace is expected to start working from July this year and the second furnace will start in the course of three or four months thereafter. The purchase of a Sintering Plant has been sanctioned.

(SRI K. HANUMANTHAIYA).

Demonstration runs have been made of the Acetic Acid Plant by the French Engineers representing the suppliers. Some initial difficulties experienced are being rectified by them, and it is expected that the plant will soon be in normal operation. The new Ferro-Silicon Plant has been in operation practically throughout the year and has helped in coping with the increased demand for the product. Trial manufacture of Ferro-Chrome and Ferro-Manganese has also been made.

Schemes on hand for the further development of the Works have been reviewed by the Planning Commission on an All-India basis and they have approved of the immediate expansion of steel manufacture in Bhadravati to correspond with the increased production of pig iron by the installation of a Bessemer Electric Duplex Steel Plant and a Billet and Light Structural Mill. Expeditious action is being taken in this regard.

On the lines of financial aid given by the Central Government to other Iron and Steel Works in the country for development, the first instalment of a loan of Rs. 40 lakhs has been granted to the Mysore Iron and Steel Works for the year 1951–52 and a further sum of Rs. 125 lakhs is expected to be advanced for the current year and the capital grants provided in the budget are only tentative and have to be re-adjusted with reference to the particular schemes for which assistance is afforded by the Centre.

GOVERNMENT FERTILISER WORKS.

Negotiations have been in progress for securing a loan from the International Bank through the Planning Commission for the establishment of the proposed Fertiliser Factory at Bhadravati. Meanwhile, the Fertiliser Scheme has to be re-examined with reference to the power supply position and the Planning Commission were requested to consider the application for financial assistance required for the Honnemarudu Power Project also. The Planning Commission appears to feel that they cannot finance both the schemes simultaneously. We are therefore put to the necessity of taking aid for starting the Fertiliser Factory only.

SANDAL OIL FACTORIES.

Following the recent general slump there has been a recession in the market for sandal oil. There was a steep fall in demand also, necessitating complete suspension of manufacture at the Shimoga Factory for several months and partial suspension at the Mysore Factory. With the revision of prices from the abnormally steep levels they had reached, there are signs of revival of demand and the Shimoga Factory is being re-started on a restricted scale. It is hoped that normal working will soon be possible.

GOVERNMENT PORCELAIN FACTORY.

The schemes submitted by Messrs. Westinghouse International Electric Company of New York and Messrs. Nippon Gaishi Kaisha of Japan for the expansion of the Porcelain Factory have been examined. The scheme of the Japanese Firm is considered to be more advantageous to Government, and the ways and means position is being explored pending finalisation of negotiations. Meanwhile, a sum of Rs. 10 lakhs for the purpose has been provided in the Budget for 1952-53.

MANUFACTURE OF ENERGY METERS.

In view of the great demand for Electric House Service Energy Meters all over India, Government have sanctioned a scheme for their manufacture at a cost of Rs. 12½ lakhs in collaboration with Messrs. Tokyo Shibaura Electric Co., Ltd., of Japan. The management has been entrusted to Messrs. The Radio and Electrical Manufacturing Co., Ltd., on certain conditions. Part of the equipment has already arrived in the country. The Company have also sent two of their Engineers to Japan for training. It is expected that production will commence in a few months.

Other Industries.

Expansion schemes of the Government Soap Factory and the Government Silk Weaving Factory and also those of the Mysore Sugar Co., Ltd., and the Mysore Paper Mills, Ltd., are being proceeded with.

In view of the facilities existing in the State for establishing a Fruit Canning Industry, Government had started experiments in fruit canning on a pilot plant scheme. The question of expanding this industry has been under consideration. It is felt that this industry should rightly fall in the Private Sector and a proposal to float a Joint-Stock Concern for the purpose is being examined.

Cottage Industries.

Many of the centres opened under the three-year plan were not working satisfactorily. The need to economise expenditure compelled us to close them down.

In regard to Khadi development, all possible assistance is being afforded by Government, through a Special Committee consisting mainly of non-officials interested in Khadi. Similarly, assistance is also being given for the development of the Hand-loom Weaving Industry through the Mysore Provincial Cotton Hand-loom Weavers' Co-operative Society.

Government have already purchased several items of Japanese machinery for the development of Cottage Industries and recently the Japanese Consul-General in India, on behalf of the Japanese Government, has offered us, as a free gift, the entire lot of Japanese Cottage Industry Machinery and other equipment which had been brought to India for exhibition at Bombay. The acquisition of this machinery and equipment will go a long way in encouraging the development of cottage industries in the State.

Department of Geology.

The three Divisional Offices of the Department have been closed and work concentrated at Bangalore. The Bureau of Mineral Development which has recently been opened at Bhageshpur has commenced its activities. The Bureau is expected to be a very useful adjunct to the Department.

Major Irrigation Projects.

The Budget for 1952-53 provides for a total grant of Rs. 113·94 lakhs for Major Irrigation Works included in the Five-year Plan. The following progress has been achieved so far on the three big works :—

In lakhs of Rupees.

Particulars	Cost	Outlay to date	Grant provided in the *Interim* Budget	Grant for 1952-53
	Crores			
1 Bhadra Reservoir.	20	94·14	16	16
2 Tunga Anicut ...	2	73·33	18	25
3 Nugu Reservoir ...	2.2	47·74	16	24

The grants provided for two of these major irrigation works in the Interim Budget was considered to be not sufficient, and we have proposed to enhance the amount by Rs. 15 lakhs. Although our financial resources are very limited, we felt that food production should receive top priority and that money invested on these major irrigation projects would be a national asset and so the grants have been enhanced.

These three projects have been included in the Five-year Plan. While Bhadra Reservoir is contemplated to be completed to the first stage, the other two projects are anticipated to be completed within five years ending with 1955-56.

The area that will come under irrigation according to the First Stage Plan of Bhadra Reservoir will be 22,000 acres. The area that will be irrigated from the Tunga and the Nugu projects will be 21,000 acres and 20,000 acres, respectively. The Bhadra Project when completed will irrigate an extent of 1,80,000 acres and 12,800 K.W. of electricity can be generated.

Our revenue resources are inadequate to complete these schemes. The financial integration of Mysore with the Centre, though found necessary in the

(SRI K. HANUMANTHAIYA).

interest of uniformity and homogeneity of the administration of India as a whole, has somewhat crippled Mysore State financially. Most of our elastic sources of revenue have gone to the Centre. Our remaining sources of revenue are mostly inelastic and even show signs of contraction. Our previous commitments on the nation-building departments were heavy and are becoming heavier—admitting of no curtailment. We are finding it difficult to find money to complete these beneficent major irrigation projects. The only way now left for the completion of these projects which are invarious stages of progress would be for the Central Government to finance them by suitable grants. There is a widespread feeling in the south of India that almost all the big projects taken up by the Centre in the last few years have been located in the north. The multi-purpose river valley schemes like the Damodar costing nearly 75 crores, Hirakud costing 62 crores, and the Bhakro-Nangal costing 133 crores, are all in the north. No project of such magnitude has been started in the south so far. The incomplete projects in Mysore State like the Bhadra and Nugu Reservoirs and the Tunga Anicut deserve the sympathy and help of the Central Government. If these projects are not completed, the money spent so far would be wasted. It is to prevent this happening that I would request the Central Government to assist us in completing these projects.

PUBLIC WORKS.

As the Interim Budget did not make adequate provision for the completion of certain works in progress, and as the grant had to be regulated with reference to the Grow More Food grants from the Government of India, increased provisions had to be made for improvement of channels, tanks, and for new works. In view of the bad condition of the roads, enhanced provision has been made for cement concreting them taking advantage of the balances at the credit of the State in the Central Road Fund. The Budget as finalised provides grants as under:—

IRRIGATION.

Tanks and Channels chargeable to Revenue.	Rs. 86·54 lakhs including Rs. 15 lakhs for Restoration and desilting and Rs. 30 lakhs for improvements.
Capital—Irrigation...	Rs. 122·99 lakhs including Rs. 65 lakhs for the three major projects.

CIVIL WORKS.

Communications ...	Rs. 116·80 lakhs including Rs 38·71 lakhs for repairs and Rs. 77·76 lakhs for original works.
Building... ...	Rs. 76·40 lakhs including Rs. 16·32 lakhs for Education buildings and Rs. 13·26 lakhs for Medical buildings.

It may be difficult in future years to maintain this high expenditure unless fresh sources of revenue are tapped. The main additions to the Interim Budget under Civil Works are:—

	Rs.
Primary School Buildings ...	3·00 lakhs.
Cement Concreting	5·50 lakhs.
Buildings for the Legislature ...	4·00 lakhs.

ELECTRICAL DEPARTMENT.

The receipt from this Department has been one of the main sources of our revenue. The Capital outlay to end of 1951-52 is expected to be over Rs. 18 crores and the net revenue for 1951-52 is over Rs. 95 lakhs. The entire capital of about Rs. 4 crores provided in the Budget of 1951-52 could not be utilised for want of finance, and the programme had to be curtailed to Rs. 190 lakhs.

The Interim Budget for 1952-53 provided for a capital programme of about Rs. 2 crores. As the entire grant of Rs. 20 lakhs for Kabini Project is not expected to be utilised, the grant has been curtailed to Rs. 5 lakhs and the balance allotted to Tunga and Nugu. The grant for power supply to irrigation pumping sets has been enhanced to Rs 20 lakhs by suitable re-adjustments.

ROAD TRANSPORT DEPARTMENT.

A sum of about Rs. 30 lakhs has been invested so far for the purchase of buses, machinery and construction of buildings. The concern has made a net profit of about Rs. 5·75 lakhs up to the end of 1951-52 and built a depreciation reserve of Rs. 18·69 lakhs; of this Rs. 6·88 lakhs has been utilised towards the purchase of new buses. A provision of Rs. 6 lakhs has been made in the current year's Budget under capital and Rs. 3 lakhs from Depreciation Fund.

The question of operating the bus services of the Road Transport Department on a route monopoly basis, and of confining the running of buses within the State limits are also under consideration.

The Government of India have been requested to extend the Indian Road Transport Corporation Act to Mysore and to set up a Corporation in the State with a Capital of one crore of rupees, fifty per cent being met by the Government of India. The Corporation is expected to take over the nationalised bus services and the contemplated trolley bus scheme for Bangalore City.

JUSTICE.

The rates of Court fee in Mysore State are lower than those prevailing in Madras and Bombay States. To increase our rates to their level looks reasonable, and would incidentally yield additional income. We therefore propose to place a Bill for that purpose for your consideration.

The revision of the grade pay of the Munsiffs so as to be on par with the grade pay of Assistant Commissioners is under the consideration of Government.

POLICE DEPARTMENT.

The Law and Order position in the State has been fairly normal. There is at present no person in detention in Mysore State under the Preventive Detention Act. The strength of the Police force in Mysore has been considered to be the minimum. It has therefore not been possible to effect retrenchment to any appreciable degree. The former Palace troops are now maintained by this Department and are doing the same Palace duties. Though their strength have been reduced, it is under consideration whether the expenditure should be charged to this Department.

STATISTICAL DEPARTMENT.

In these days of Planning, Statistics have become a necessity. Collection of Statistics has to be done on a scientific and reliable basis. Persons employed on this work have consequently to be trained to do their work satisfactorily. The Government have opened a training course in the latest theoretical and applied methods to the officials belonging to the Statistical Organisations of the several departments of Government. Under the scheme sponsored by the United Nations Technical Assistance Administration forty officers are expected to be trained within a period of six weeks at a cost of about Rs. 5,000.

LABOUR HOUSING.

The Bangalore City Improvement Trust Board, to whom the work regarding construction of Labour quarters was entrusted, have constructed sixty blocks of four units each (240 quarters) at an expenditure of about Rs. 5 lakhs. A considerable amount has also been spent for labour housing in Bhadravati.

Under the Industrial Housing Scheme, the Government of India have granted a loan of Rs. 20 lakhs free of interest and re-payable in 25 instalments. A sum of Rs. 10 lakhs has been provided in the current year's budget under this scheme, the implementation of which will be entrusted to the Labour Housing Corporation shortly to be constituted.

INDUSTRIAL TRIBUNALS.

For the purpose of speedy disposal of Industrial disputes, two Industrial Tribunals have been constituted. The disputes which could not be settled by conciliation are being referred to the Tribunals for adjudication. The effect

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of it is to reduce the number of strikes, removal of industrial unrest and restoring of harmony between labour and capital. The House is aware that a number of Acts for the welfare of labour have come into existence and Government have all along pursued a progressive policy of securing the legitimate demands of the workers, while holding the scale even between labour and capital.

VILLAGE PANCHAYETS AND DISTRICT BOARDS.

The Village Panchayets and District Boards Act has been brought into force from the 14th of February 1952. The term of the District Boards expired on the 31st May 1952. The term of several Village Panchayets also is due to expire on the 1st July 1952. Elections under the new Act could not be held in time. It was, therefore, found necessary to promulgate an Ordinance continuing the present District Boards and the Village Panchayets till the new Boards and Panchayets duly come into being.

RURAL DEVELOPMENT GRANTS.

The grant for the year 1952-53 as per the Interim Budget was Rs. 50·20 lakhs including a sum of Rs. 38·32 lakhs provided under works outlay. It has been decided to effect a savings of Rs. 4 lakhs under this head.

MEDICAL.

There are at present 493 hospitals and dispensaries spread throughout the State, giving an average of one institution for an area of 59·8 sq. miles and for a population of 14,866. Of the total number of institutions, as many as 399 are in the rural areas and 94 are in the urban areas. Proposals are under consideration for the enhancement of hospital receipts. There is a great demand for medical relief and our medical budget has reached a figure of Rs. 98·92 lakhs. As I said in regard to Education, it is time that private effort and generosity take up or at least aid further expansion of medical service to the people.

The Mental Hospital, Bangalore, has been selected by the Central Government to function as a Post-Graduate Training Centre and Research Institute in Mental and Nervous Diseases. An eminent doctor was deputed by the World Health Organisation as Consultant in Psychiatry to advise and suggest ways and means of converting the hospital into the All-India Institute of Psychiatry.

The B.C.G. Vaccination Scheme has been taken up as part of anti-tuberculosis campaign. Three teams are now working in the State under this scheme. Very recently there has been a proposal from the Government of India in collaboration with the W. H. O./ U.N.I.C.E.F. for the expansion of the B.C.G. work throughout the State on an intensive scale, for a period of five years.

PUBLIC HEALTH.

Public health measures have been extended on a wide scale in recent years. The Health Units started in the malnad districts and in the irrigated areas of the maidan districts of the State have been doing useful service.

The following schemes are under consideration of the Government :—

(1) Comprehensive proposals for control of plague in Mysore which incidentally satisfied the requirement for reciprocal arrangement with the Government of Madras.

(2) Proposals for further extension of Health Units in the State.

(3) School Health Programme.

(4) Proposals for the formation of the Bureau of Industrial Hygiene.

There is no doubt a great need for further expansion but to what extent this can be done depends on the local and external resources.

ELECTIONS.

After the work in connection with the elections to the State Legislative Assembly was concluded and even while the work on the elections to the State Legislative Council was in progress, the

Government retrenched the post of the full-time Chief Electoral Officer. The Legal Remembrancer and Secretary to Government, Law Department, has been appointed as Chief Electoral Officer for the State in addition to his duties.

As the electoral rolls prepared in connection with the general elections all over India are not found to be satisfactory and complete, the Election Commission, India, have directed the preparation of these rolls afresh in respect of about 20 per cent of the constituencies each year with intensive house-to-house enquiries in addition to the annual revision, in every State. This work is being attended to with a small skeleton staff in the Central office to supervise the work of the Electoral Registration Officers.

2 P.M.

ARCHÆOLOGY.

Under the Ancient and Historical Monuments and Archæological Sites and Remains (Declaration of National Importance) Act of 1951, one hundred and eight Ancient Monuments and eight Archæological Sites and Remains of the State have been declared to be of National Importance and the cost on account of their renovation and maintenance will have to be met by the Government of India. In view of this, the future role of the Archæological Department in Mysore is engaging the attention of Government.

RELEIF AND REHABILITATION OF EX-SERVICE MEN.

The Government of India have approved of the following schemes : —

1 Land Colonisation.
2 Vocational Training.
3 Auto-Rickshaw Service.
4 Individual settlers on land.

The Land Colonisation scheme is expected to involve an expenditure of Rs. 12·60 lakhs of which the Central Government will bear part of the expenditure in the shape of both grant (Rs. 2·62 lakhs) and loan (Rs 3·85 lakhs). The balance will be met by the State Government and the Post-war Services Reconstruction Fund. Provision has been made in the Budget for the implementation of the schemes.

ANTI-CORRUPTION AND EFFICIENCY AUDIT.

These branches constituted on the recommendations of the Banerji Committee have been in existence for the past five years ; they have been doing useful work as seen from the large number of cases dealt with by them. Preliminary and regular enquiries have been held in respect of two Heads of Departments, four Deputy Commissioners, twenty-three Assistant Commissioners, sixteen Amildars and 224 Officials and also against 52 private persons. The Government thought that the services of Sri J. Appaji Gowda, who was the Director of the Department and later Minister in charge, would further add to the efficiency and utility of this Department. He was good enough to place his services at the disposal of the Government and we have appointed him. He has also been for the time being appointed as General Manager, Insurance Department. The Insurance Department is greatly in need of re-organisation. Sri Appaji Gowda's appointment to these two offices is considered a measure of economy as well.

CAPITAL PROGRAMME.

The programme included in the Budget is with reference to Central assistance and anticipated borrowings. It may be that the provision made does not touch the fringe of the problem in view of the Development Plans on hand but in view of the deficit in revenue account, the grants cannot be enhanced in the absence of timely assistance from external sources.

CONCLUSION.

I am leaving the budget deficit of Rs. 101.72 lakhs uncovered. Proposals for fresh taxation were made and considered by Government. I feel that the present moment is not opportune for

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fresh taxation. The few weeks that the Ministry has been in office is too short a period to formulate fresh proposals for taxation on equitable lines. I hope that it may not after all be necessary to have recourse to fresh taxation. If it is ultimately found inevitable in the interests of the State, I will have no hesitation to place proposals for fresh taxation for your consideration. In the meanwhile, let all of us derive satisfaction that we did not begin our work imposing additional burdens on the people.

Mr. SPEAKER :—Consideration of Bills is the next item. I call upon Sri T. Chenniah to move his motion.

(Sri M. Shankar Linge Gowda remarked that it was usual for the Parliament in England to adjourn for the day after the presentation of the Budget.

Janab J. MOHAMED IMAM (Jagalur) —It is a sound practice, Sir.

Sri K. HANUMANTHAIYA (Leader of the House).—We can re-assemble after lunch, Sir.

Mr. SPEAKER.— As the House desires it, we shall re-assemble after lunch at 3-30 P.M.

The House adjourned for lunch at Fifteen Minutes past two of the Clock and re-assembled at Thirty Minutes past Three of the Clock. Mr. Speaker in the Chair.

Mysore Kolar Gold Fields Municipal Bill, 1952.

Motion to consider.

Sri T. CHANNIAH (Minister for Public Health and Local Self-Government).—Sir, I beg to move:

"That the Mysore Kolar Gold Fields Municipal Bill, 1952, be taken into consideration".

The Municipal affairs of the Kolar Gold Fields are at present under the management of a Board called the Sanitary Board, first constituted under the provisions of the Mysore Mines Regulation of 1897. The latest bye-laws relating to the Sanitary Board have been framed under the Mysore Mines Act of 1906. The jurisdiction of the Sanitary Board extends over the Mining areas and over the surrounding non-mining areas in the Kolar Gold Fields. From time to time there have been repeated requests for establishing a fully constituted and more or less autonomous body like the Town or City Municipality, and in 1948 a promise was made by the Government in the Representative Assembly to set up a Committee to examine this question. Such a Committee was constituted in early 1949 and it went into this question in great detail. The Committee did not consider it necessary to convert the Sanitary Board into a City Municipality, but recommended that a single administrative self-governing unit should be continued. It also recommended that the Sanitary Board consisting of a large number of nominated members should be reconstituted so as to make provision for an elected majority with proper safeguards to represent various interests by means of nominations. The Government carefully examined the recommendations of the Committee and also took note of the several representations received to introduce legislation on the lines of the City Municipalities Act in force in the State. The Government also realised that in its application to the Kolar Gold Fields areas, the City Municipalities Act required some important modifications to meet the special circumstances and the several interests involved.

As Members know, the area which will be covered by the present Bill includes the Mining Board. Within this area, there are a large number of labourers who are residing. Secondly, the sanitation and public health within this area are at present being looked after by the Mining Board who are spending a large amount of money for